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Coughlin Stoia Geller Rudman & Robbins LLP Files Class Action Suit Against Fuqi International, Inc.



Companies: Fuqi International, Inc.

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NEW YORK--(BUSINESS WIRE)--Coughlin Stoia Geller Rudman & Robbins LLP ("Coughlin Stoia") (<http://www.csgr.com/cases/fuqi/>) today announced that a class action has been commenced in the United States District Court for the Southern District of New York on behalf of purchasers of the common stock of Fuqi International, Inc. ("Fuqi" or the "Company") (Nasdaq:[FUQI](#) - [News](#)) between May 15, 2009 and March 17, 2010, inclusive (the "Class Period"), seeking to pursue remedies under the Securities Exchange Act of 1934 (the "Exchange Act").

If you wish to serve as lead plaintiff, you must move the Court no later than 60 days from today. If you wish to discuss this action or have any questions concerning this notice or your rights or interests, please contact plaintiff's counsel, Samuel H. Rudman or David A. Rosenfeld of Coughlin Stoia at 800/449-4900 or 619/231-1058, or via e-mail at [dj@csgr.com](mailto:djr@csgr.com). If you are a member of this Class, you can view a copy of the complaint as filed or join this class action online at <http://www.csgr.com/cases/fuqi/>. Any member of the putative class may move the Court to serve as lead plaintiff through counsel of their choice, or may choose to do nothing and remain an absent class member.

The complaint charges Fuqi and certain of its officers and executives with violations of the Exchange Act. Fuqi is headquartered in Shenzhen, China and describes itself as a leading designer, producer and seller of high quality precious metal jewelry in China.

The complaint alleges that, throughout the Class Period, defendants failed to disclose material adverse facts about the Company's true financial condition, business and prospects. Specifically, the complaint alleges that defendants failed to disclose: (i) that the Company's financial results were artificially inflated due to Fuqi's material misstatement of its inventory and cost of sales; (ii) that the Company's internal and disclosure controls with respect to its inventory and cost of sales were materially deficient; (iii) that, as a result of the foregoing, Fuqi's financial statements were not fairly presented in conformity with U.S. Generally Accepted Accounting Principles and were materially false and misleading; and (iv) that, based on the foregoing, defendants lacked a reasonable basis for their positive statements about the Company, its prospects and growth.

On March 16, 2010, Fuqi issued a press release announcing its preliminary financial results for the fourth quarter ended December 31, 2009, and a delay in the filing of its Annual Report on Form 10-K. In response to these statements, on the next trading day, shares of the Company's stock fell more than 37%, to close at \$11.90 per share, on approximately 20 times its normal trading volume.

Plaintiff seeks to recover damages on behalf of all purchasers of the common stock of Fuqi the Class Period (the "Class"). The plaintiff is represented by Coughlin Stoia, which has expertise in prosecuting investor class actions and extensive experience in actions involving financial fraud.

Coughlin Stoia, a 180-lawyer firm with offices in San Diego, San Francisco, New York, Boca Raton, Washington, D.C., Philadelphia and Atlanta, is active in major litigations pending in federal and state courts throughout the United States and has taken a leading role in many important actions on behalf of defrauded investors, consumers, and companies, as well as victims of human rights violations. The Coughlin Stoia Web site (<http://www.csgr.com>) has more information about the firm.

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